

**SUMMARY OF DEMOCRATIC SUBSTITUTE
FY 2004 LABOR-HHS-EDUCATION APPROPRIATIONS BILL**

(As offered by Congressman David Obey
During Appropriations Committee Consideration of the Bill)

Education

The Democratic substitute –

- ❑ **Fulfills the education promises in the Republican budget resolution** by providing a \$5 billion increase for education over FY 2003 (\$2.8 billion more than the Committee bill); increasing Title I grants by \$1 billion over FY 2003 to help low-performing, low-income children succeed in school (\$334 million more than the Committee bill); and increasing Special Education grants to offset the cost of educating children with disabilities by \$2.2 billion over FY 2003 (\$1.2 billion more than the Committee bill).
- ❑ **Adds funding to pay for *No Child Left Behind Act* mandates** by providing \$3.175 billion for teacher quality grants – the amount promised two years ago in the *NCLB Act* (and \$244 million more than the Committee bill); \$1.1 billion to provide safe learning opportunities for children in after-school centers (\$100 million more than the Committee bill); \$750 million to help immigrant students learn English (\$64 million more than the Committee bill); and \$1.4 billion for schools near military bases and other federal facilities (\$165 million more than the Committee bill).
- ❑ **Maintains college access and affordability** by raising the maximum **Pell Grant** to \$4,200 – a modest \$150 or 4 percent increase over the Committee bill, which freezes the maximum grant at \$4,050, to provide a higher education opportunity for all students.

Health

In the health area, the substitute focuses on doing three main things:

- ❑ **Shoring up the safety net programs that help provide basic health services to people in need** – through additional funding for Community Health Centers (\$73 million), Rural Health Grants (\$22 million), and the

Maternal and Child Health Block Grant (\$67 million), among other programs;

- ❑ **Continuing to rebuild the capacity of our public health system to respond to naturally occurring disease outbreaks and potential biological or chemical terrorist attacks** – by providing a 20 percent increase (over FY 2003) for CDC infectious disease control programs, providing the full \$100 million requested by the Administration to prepare for a flu pandemic, and adding \$63 million to child immunization programs;
- ❑ **Preserving and building on the investments made in biomedical research at NIH** – by providing a 5.5 percent overall increase (including sufficient funds to compensate for inflation and allow the number of new and competing grants to grow by about 6 percent).

The substitute also includes substantial increases (totaling \$50 million) for the nurse education and training programs authorized last year to help deal with the nurse shortage, avoids the cuts made by the Committee bill in other health professions programs (such as scholarships for minority and disadvantaged students), and brings the bill up to the full amount requested by the President for Global HIV/AIDS programs.

Other Programs

LIHEAP – The substitute provides a total of \$2.250 billion -- \$450 million more than the Committee bill – for state formula grants under the Low Income Home Energy Assistance Program, in order to help deal with the impact of rising natural gas prices and the economic downturn.

Community Services Block Grants – The substitute restores \$151 million which the Committee bill would cut from CSBG.

Administration on Aging – The substitute adds \$82 million for Older Americans Act programs.

Social Security – The substitute adds back the \$170 million that the Committee bill cuts from the President's request for Social Security administrative expenses, in order to help Social Security maintain services to the public and reduce the serious backlog of claims for disability benefits.

Offsetting Reduction in Tax Cut at Highest Income Levels

These additions would be offset by a 32 percent reduction in the tax cut that will be received by people with incomes above \$1 million as a result of the recently enacted tax bill. Under that legislation, taxpayers with incomes above \$1 million receive average tax cuts of \$88,000 per year. The substitute would scale that back to an average of \$60,000 per year. It would have no effect whatsoever on tax cuts for anyone with income below \$1 million.